



North Carolina Transportation Issues

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Remarks at the
Shaftesbury Lecture
John Locke Foundation

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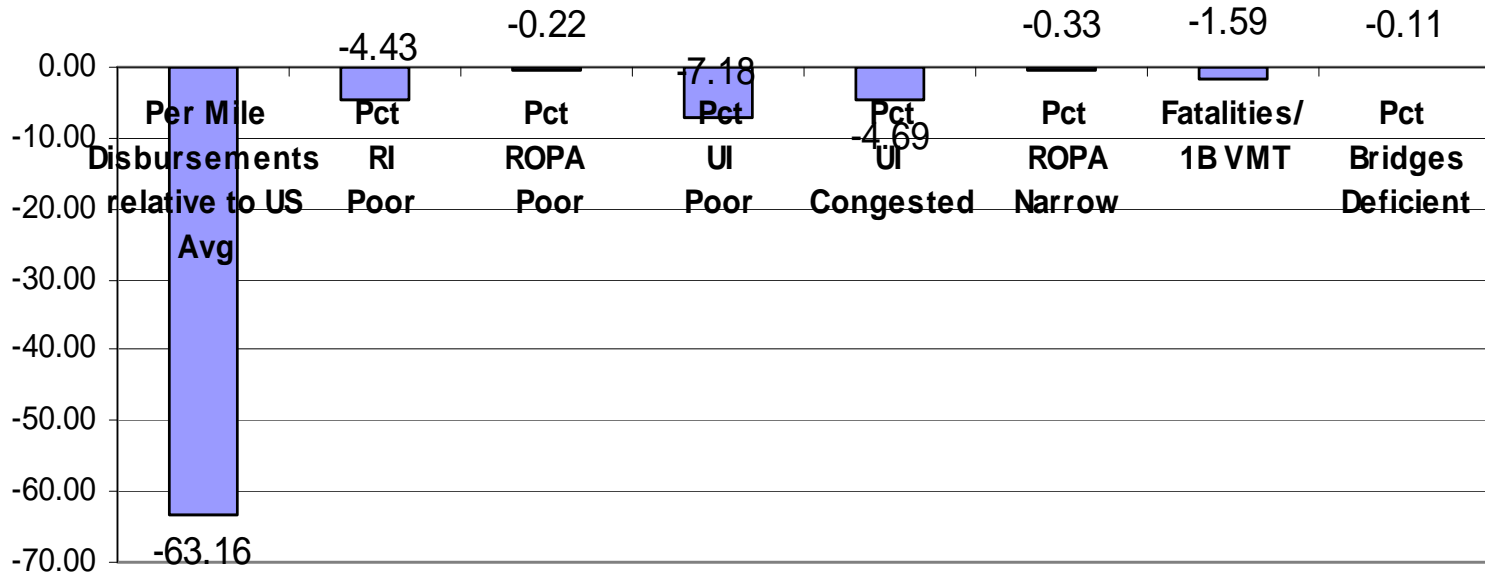


Issues

- **Status and Need**
- **Funding**
- **Expenditures**
- **Project Selection**
- **Transit and Climate Change**
- **Organizational**

NC Highway Performance 2003-06

North Carolina Highway Expenditures and Performance, 2003-2006
 \$10.5B, 2003-2006 (\$ 171,000 per mile of responsibility)



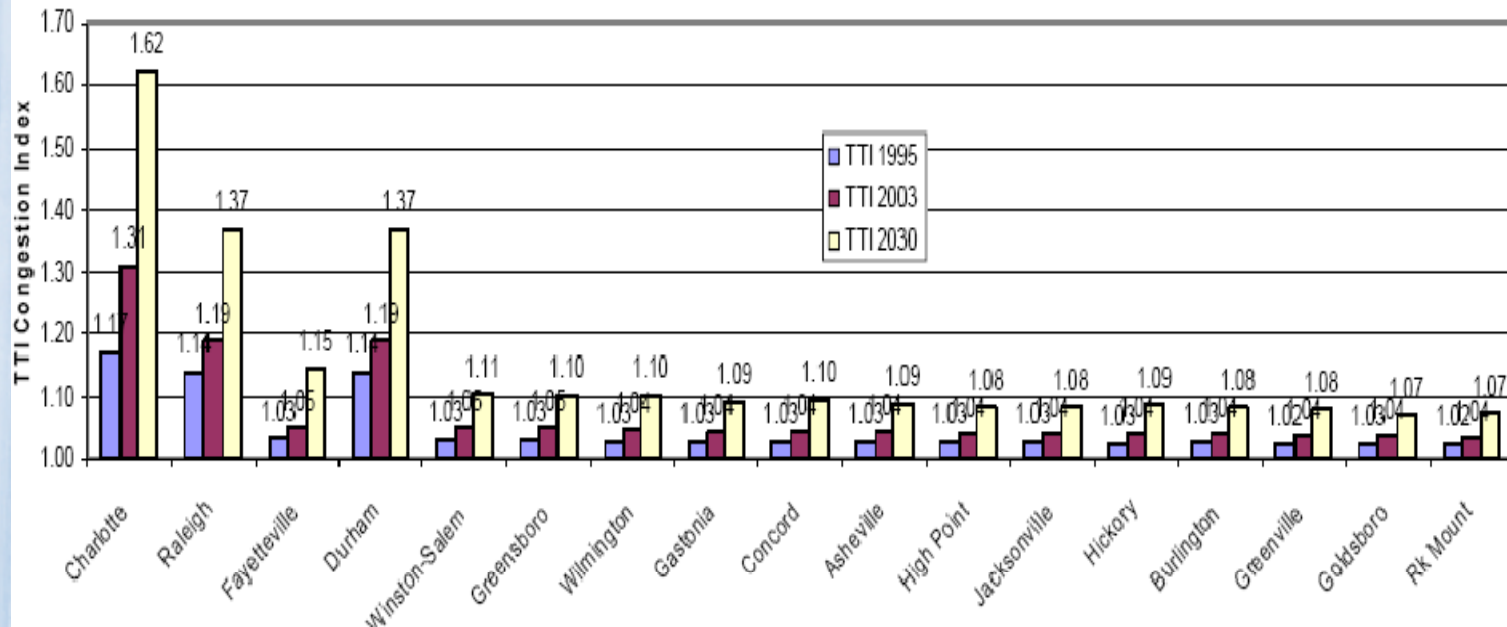
HIGHWAY STATUS

Item	2006	2007
– 79,800 miles	2 nd	2 nd
– \$ 3.2 B budget	8 th	8 th
• 58 % “Capital”		
• 22 % “Maintenance”	16 th	16 th

Status

• Rural Interstate Pavement	40 th	43 rd	
• Urban Interstate Pavement	25 th	22 nd	
• Rural Primary Pavement	39 th	29 th	
• Urban Interstate Congestion	48 th	46 th	Wow !
• Fatality Rate	29 th	37 th	
• Deficient Bridges	41 st	34 th	
• Narrow Lanes	34 th	33 rd	

Congestion Trends



- Congestion Will **DOUBLE** in 25 years

- Charlotte 1.31 1.62 (“Chicago”)

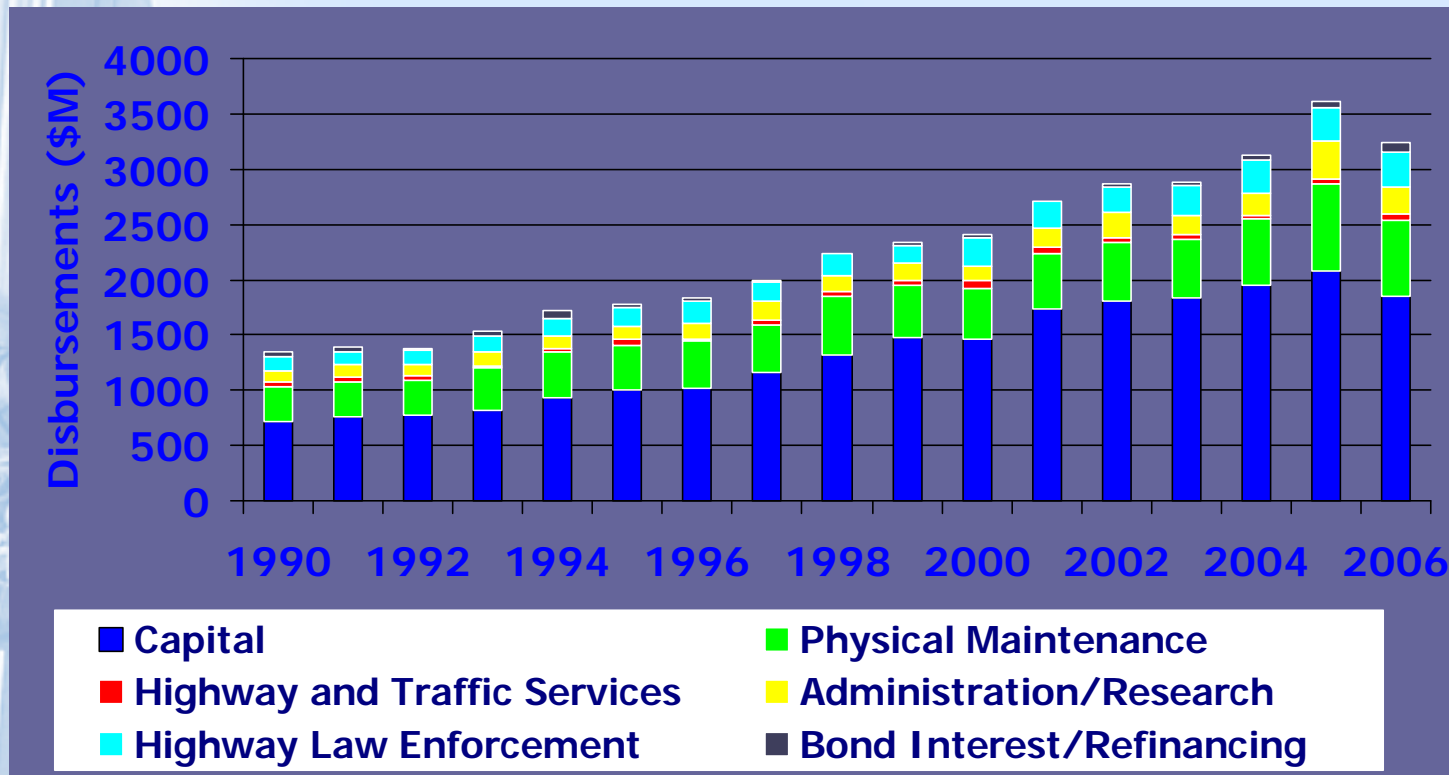
- Raleigh 1.19 1.37 (“Minneapolis”)



NC 25-Yr. Road Needs

- **Condition** \$ 10-15 B
- **Congestion** \$ 10-15 B
- **Safety** \$ 3-5 B
- **Bridges** \$ 15-20 B
- **Other** \$ 10-15 B
- **Total** \$ 48-70 B

HIGHWAY EXPENDITURES 90-07

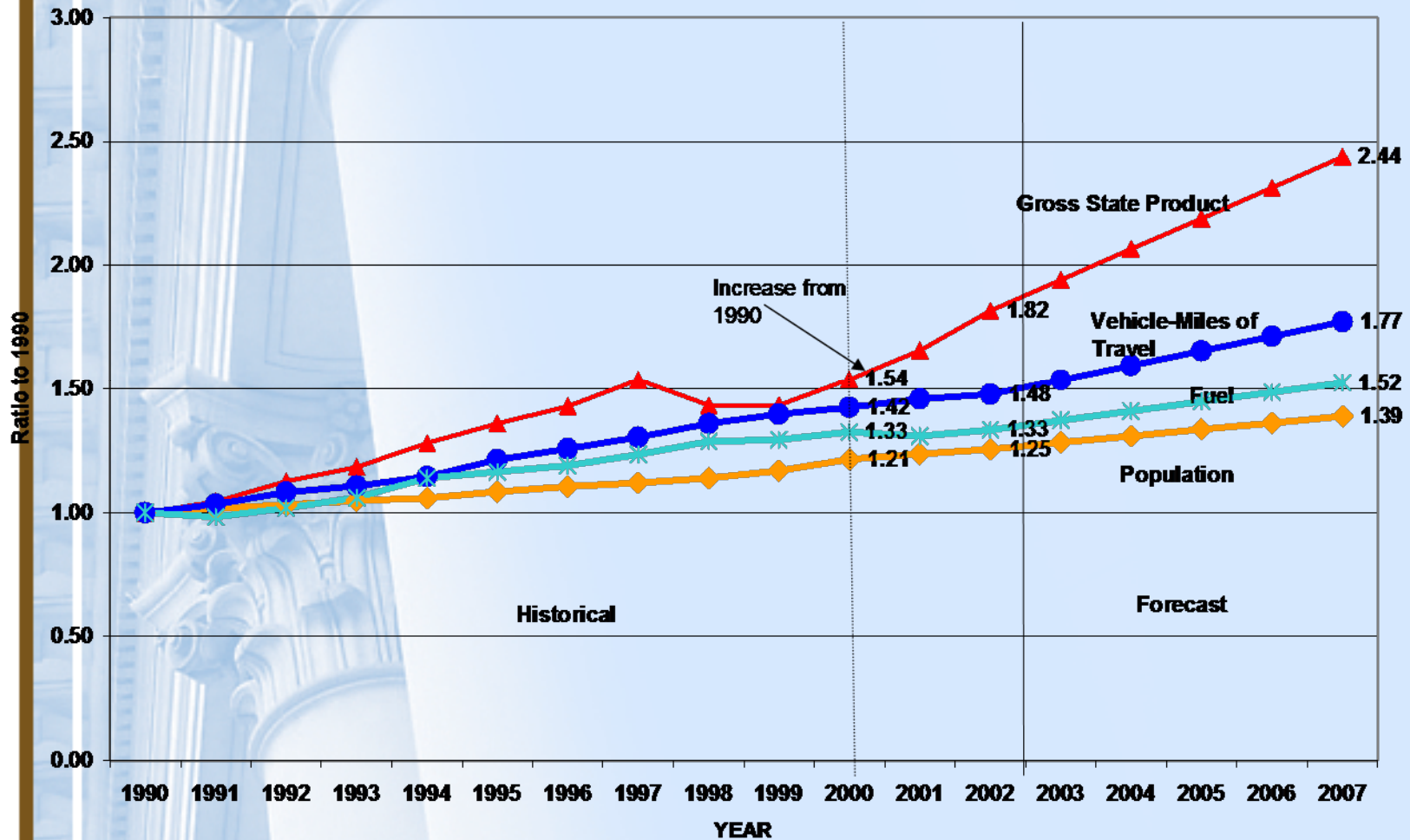




NC State Hy Revenue Sources, 2006

• State- Motor Fuel	\$ 1153 m
• State – Vehicle	\$ 472
• State-Other	\$ 590
• Misc	\$ 38
• Bonds	\$ 0
• Federal Funds	\$ 979
• <u>Local Govts</u>	\$ 16
• Total	\$ 3251 m

North Carolina Economic and Traffic Trends, 1990-2007



Growth is Increasing Faster than Fuel Sales



NC Highway Formulas

STIP: Allocations to 7 Regions:

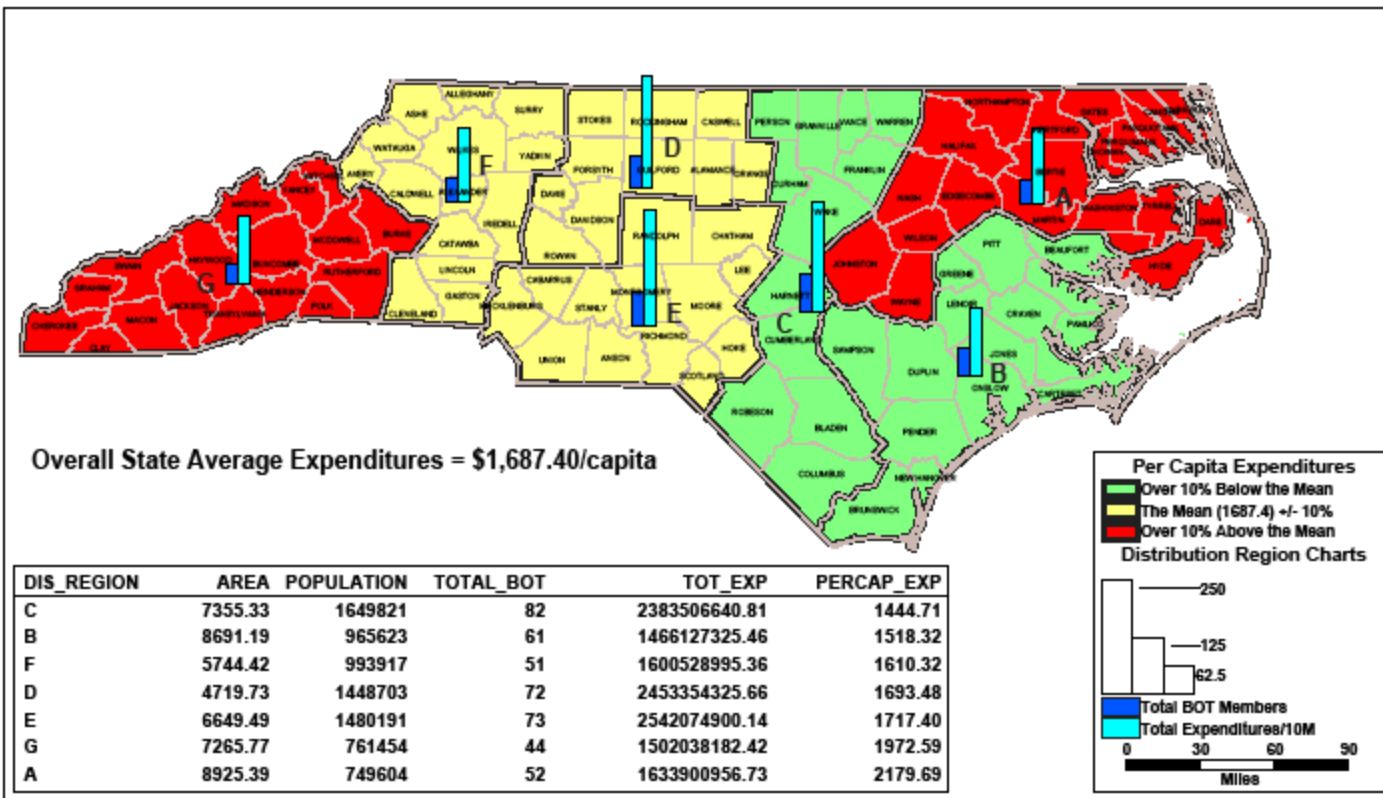
$\frac{1}{2}$ Population

$\frac{1}{4}$ $\frac{1}{7^{\text{th}}}$ each

$\frac{1}{4}$ Miles to complete Intrastate System

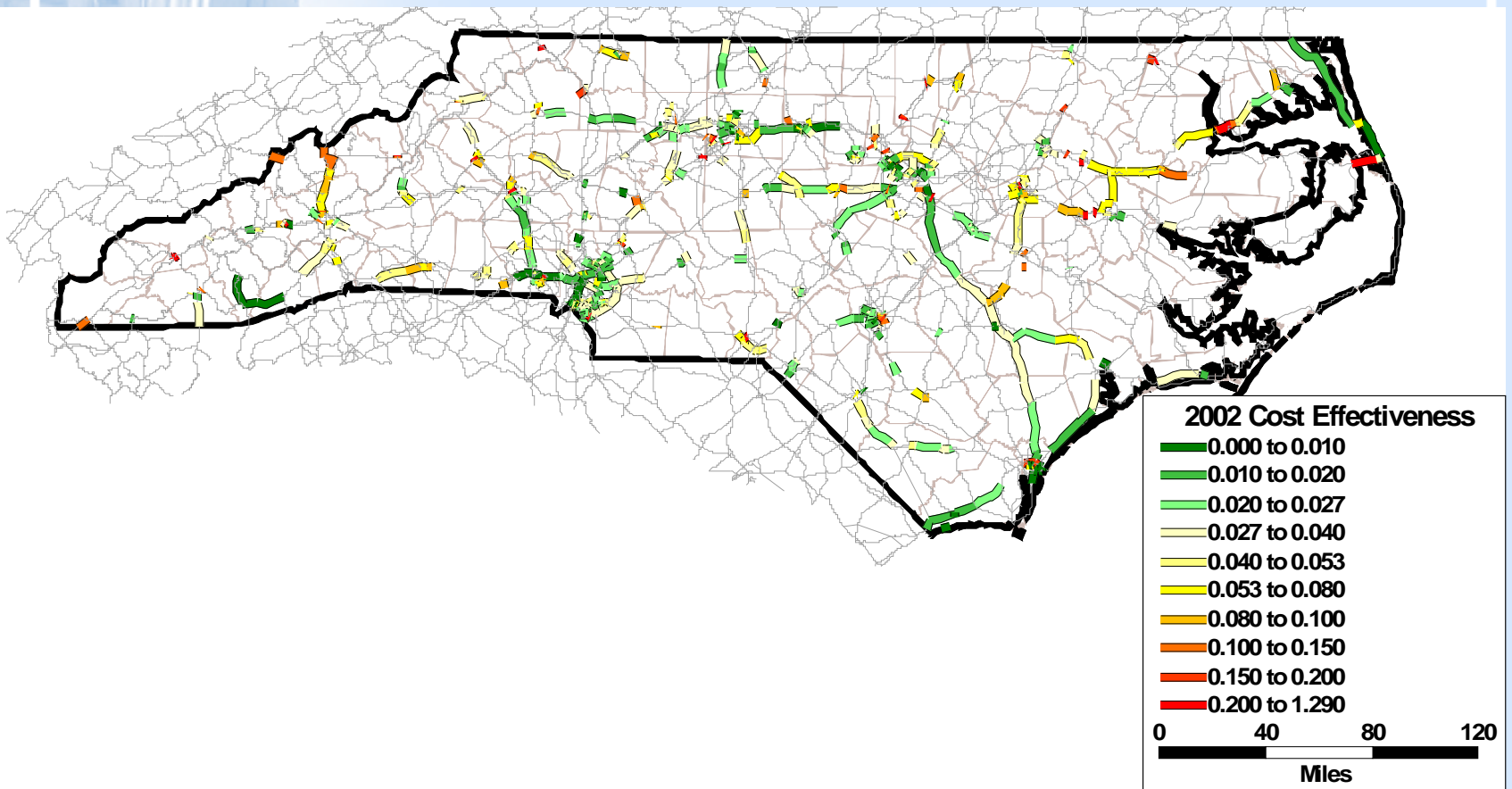
Loop: Discretionary, based on status

Figure 2.6
NORTH CAROLINA HIGHWAY (TIP + LOOP) EXPENDITURES (1990 - 2003)
DOT Distribution Region Per Capita Expenditures vs.
Board Membership by Year (1985 - 2004) and Total Expenditures (1990-2003)



Cartography by Greg Fields, 6-19-04

Highway Projects, 1990-2003 by Cost Effectiveness



Haywood County I-40 Newfound Rd, Exit 33 (I-2103)

New Exit and approach road, 1995,
0.99 mi, \$4.9 M, ADT2 500

C-E \$1.23



Beaulaville, NC 24 (R-2010) Widening from 2 to 5 Lanes

5.25 miles, \$9.3 M, 1994

ADT2 4100

C-E \$ 0.063



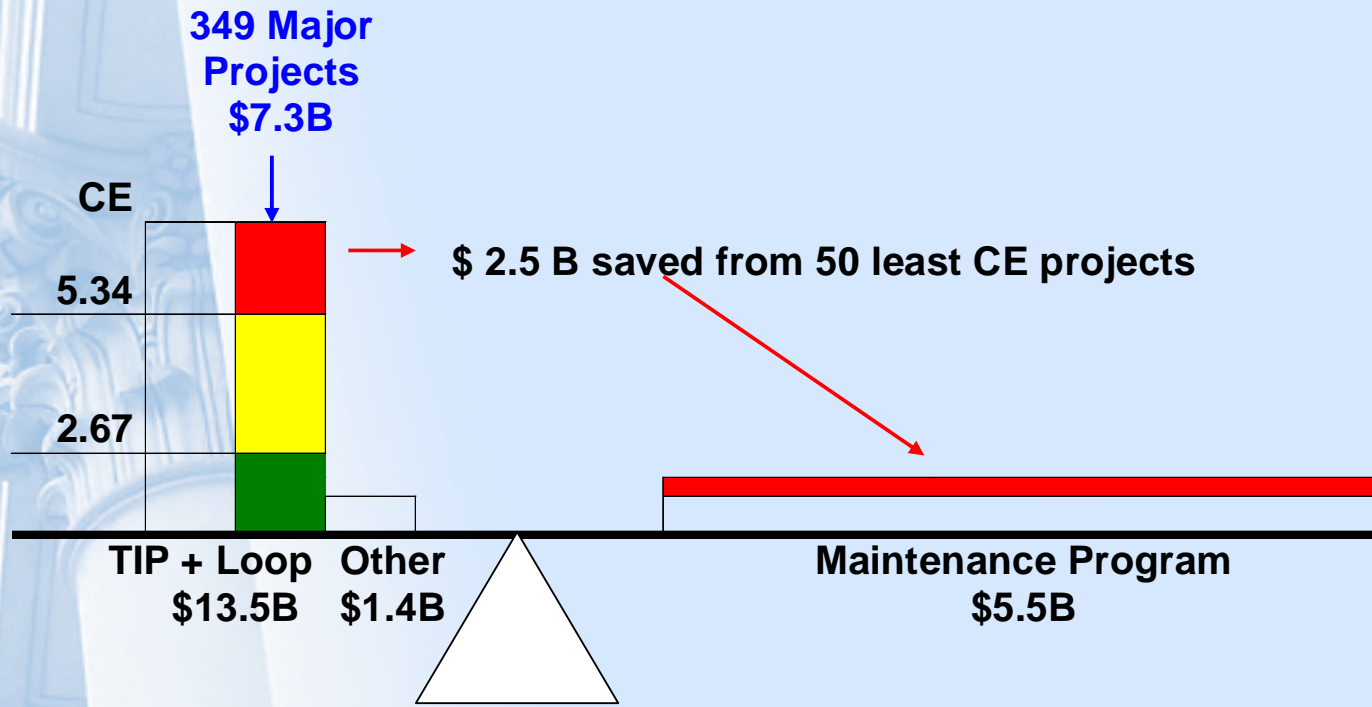


Recommendations

- **Re-allocate 10-12% of weakest capital projects; Use for Maintenance.**
- **Fund Worthy Projects, not Regions**
 - Congestion Relief and Travel Time Savings
 - Accident Reduction
 - Operating Cost Reduction
 - Economic Impacts
 - Environmental Impacts

STRATEGY FOR FUNDING SYSTEM MAINTENANCE

- Capital and Maintenance Program 1990-2002 = **\$20.5 B**
- Divert 50 Low CE Projects to Maintenance = **\$2.5B**





Highway Revenues and Expenditures

- **Review Revenues**
 - Tolls
 - Mileage Taxes
 - Local Options/ State Infr. Bank
 - PPP's
- **End Diversions**
- **Fund the Best Projects**
- **Modify Highway Formula**
- **End the "Loop" Program**

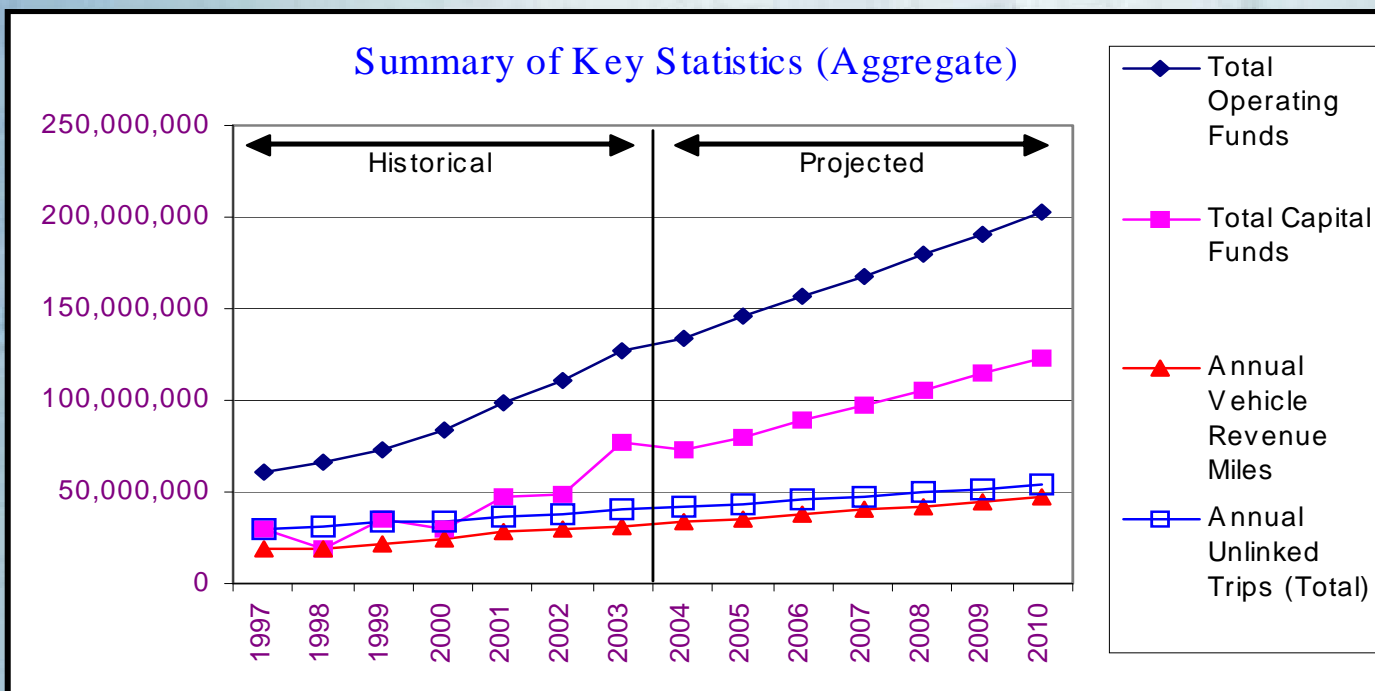


TRANSIT SYSTEMS

- 10 Largest NC Systems
Charlotte (20 M).....TTA(900,000)
- Performance vs. Plans
- Recommendations

- Release: May 2006
 - Study at www.johnlocke.org

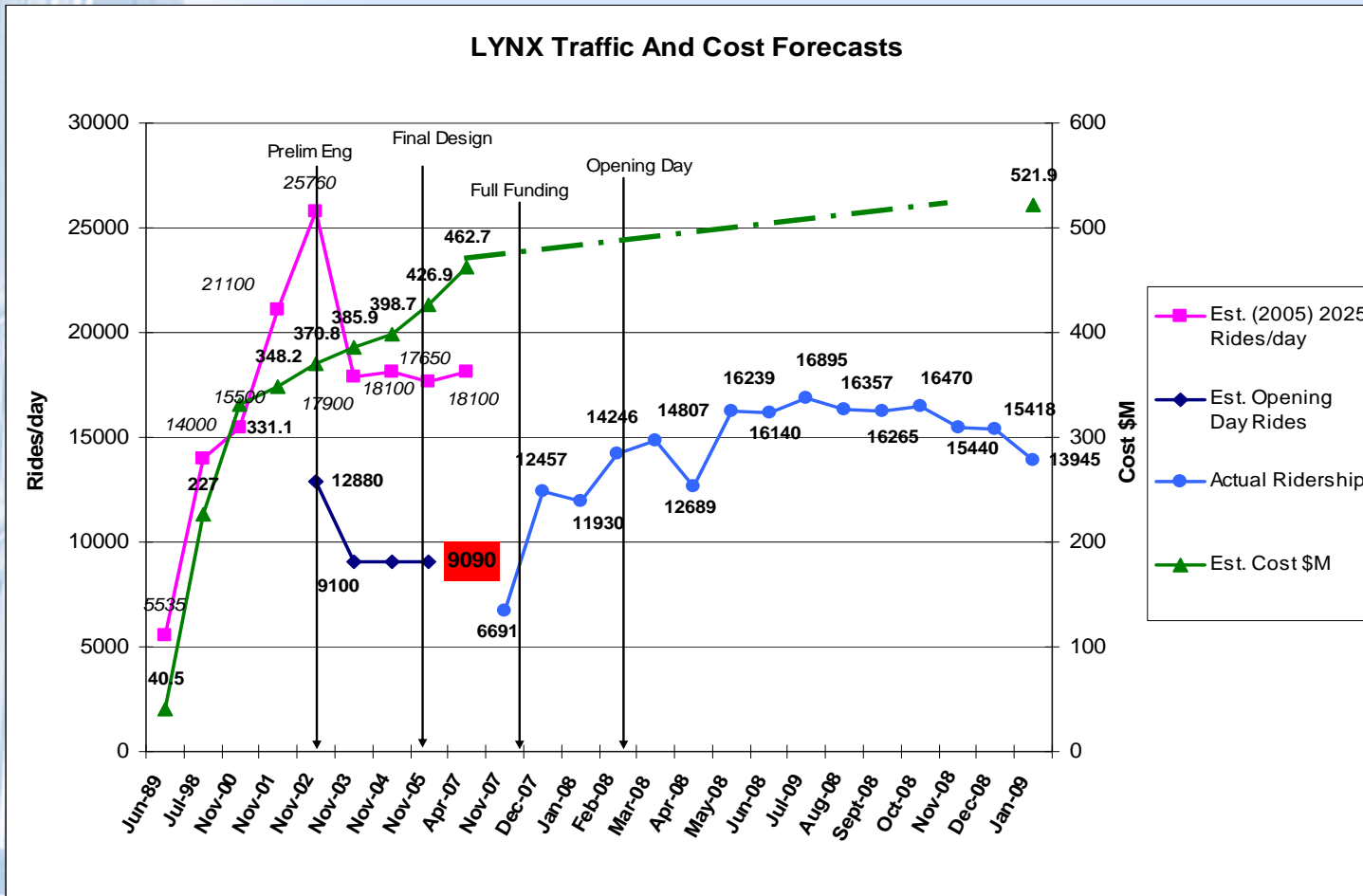
Summary Statistics for 10 Systems



LYNX Station, Carolina Place



LYNX Cost and Ridership History



LYNX Benefits and Costs

Total Cost, 20 years \$ 706 m

User Benefits	\$ 181 m
Land Use Benefits	\$ 297 m
Environ Benefits	\$ 3 m
Total	\$ 481 m

B/C **0.68**

“Local” B/C **1.20**



Recommendations For Transit

- **Reassess mission, focus on mobility**
- **Hold down costs; overall funding proportional to ridership.**
- **Regional consolidation**
- **Coordinate with service agencies and schools**
- **Independent forecasts of use and costs**

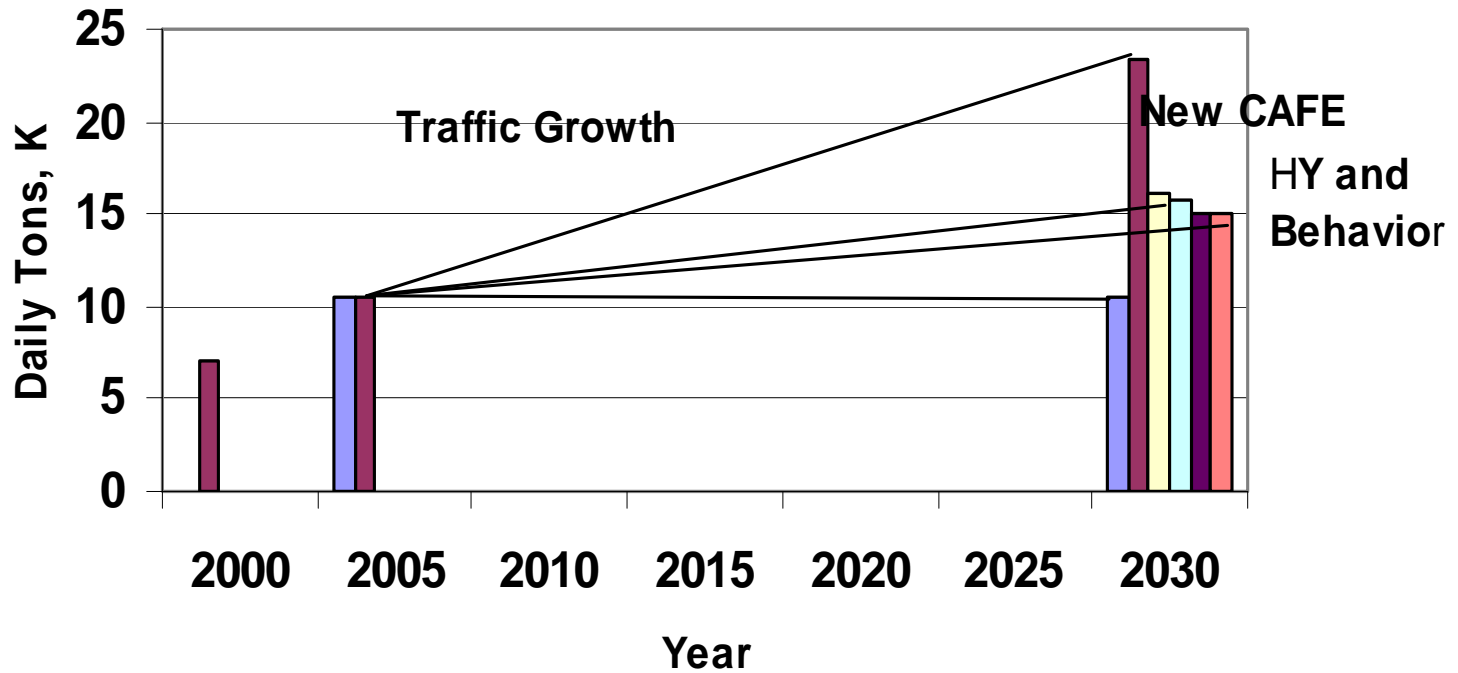


Recommendations - cont.

- **Limit assistance to 25%**
- **Rider participation 25 %**
- **Uniform expansion criteria**
- **Review capital expansions**
- **No state \$ for ‘new starts’**
- **Limit state share of capital costs**
- **Encourage private-sector operation**



Raleigh, NC Trends in CO2





Organization Issues

Board

- Do We Need One?
- Smaller (5-7 members), Policy Oriented, Experts
- Approve Major Projects. No 'Advocacy'
- Prohibit Political Contributions. Open Records
- Election?

Agency

- Prioritize Major Projects , Select Others with Objective Data

Legislature

- Fund Programs, not projects
- Modify/Drop Formula



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